TITLE OF SYNOPSIS

SOCIO ECONOMIC STUDY OF UNORGANISED SECTOR IN MAHARASHTRA

A Synopsis Submitted to

Swami Ramanand Teerth Marathwada University Nanded

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SOCIO ECONOMIC STUDY OF UNORGANISED SECTOR IN MAHARASTRA

1. Introduction

Most people in India earn a livelihood by working for an income. They work for one employer or more, or as self-employed or workers or as contract workers, home-based workers etc. in every sector in the economy. The unorganised sector is economic activity that is neither taxed nor monitored by a government; and is not included in that government's Gross National Product (GNP); as opposed to a formal economy. Although the informal economy is often associated with developing countries-where up to 60% of the labour force (with as much 40% of GDP) works, all economic systems contain an informal economy in some proportion.

1.1 Share In National Income

The Non-Corporate or unincorporated sector constitutes largest portion of the economy in terms of value addition, savings, investments etc. The share of corporate sector is around 12-14 percent in our national income while that of unincorporated [unorganised] or Bhagidari sector is more than 30 percent. In the case of United States, the share of corporate business is nearly 70 percent. Even in manufacturing activity the share of non-corporate sector is nearly 40 percent if we consider the unregistered manufacturing group (fully non-corporate sector) plus the partnership proprietorship groups in the registered manufacturing group. The non-corporate forms of organisations are major players in such activities as manufacturing, construction, transport, trade, hotels and restaurants, and business and personal services.

The informal sector plays a significant role in the economy in terms of employment opportunities and poverty alleviation. This sector generates income-earning opportunities for a large number of people. In India, a large section of the total workforce is still in the informal sector, which contributes a sizeable portion of the country's net domestic product. The unorganised sector has a crucial role in our

economy in terms of employment and its contribution to the National Domestic Product, savings and capital formation.

Informal or unorganized sector workers dominate the Indian labour market and represent some 93% of the total Indian workforce. India's unorganized sector is one of the largest, if not the largest, in the post-industrial world. Informal employment that characterizes the unorganized sector comprises both self-employment in informal enterprises (small or unregistered) and age-based employment undertaken without a transparent employment contract in both informal and formal sector enterprises. India's workforce comprises nearly 93 percent in the unorganised segment, with the entire farm sector falling under the informal category, while only one-fifth of the non-farm workers are found in the organized segment. Estimates suggest that in the non-farm sectors, as we move up the income ladder, the share of the informal sector gradually declines. However, as far as the agricultural sector is concerned, irrespective of economic class, the share of the unorganised workforce remains flat.

Predominance of unorganised sector and informal employment has been the central feature of Indian economy, for the past several decades.

Informal activities are the way of doing things characterized by:

i) Easy entry

ii) Reliance on indigenous resources,

iii) Family ownership and enterprises

iv) The small scale of operation

v) Labour-intensive and adapted technology

vi) Skill organized outside the formal school system

vii) Unregulated and competitive markets

2. Concept and Definition Related to Study

2.1 Work:

Census 1991 (1995) explains that "Work may be defined as participation in any economical productive activity. Such participation may be physical or mental in the nature. 'Work' is involves not only actual work but also effective supervision and direction of work. It also includes unpaid work on farm or in family enterprise." census 2001 (2005) explains more addition, "It even includes part time help or unpaid work on farm, family enterprise or any other economic activity."

2.2 Unorganized Sector:

The Ministry of Labour and Employment declared that unorganized sector includes weavers, handloom workers, fishermen and fisherwomen, toddy tappers, leather workers, plantation labourers, beedi workers.

(Unorganized Workers' Social Security Act, 2008.)

2.3 Worker:

Census 2001 (2005) defines as "All persons engaged in 'work' as defined above are workers. Persons who one engaged in cultivation or milk production even solely for domestic consumption are also treated as worker.

2.4 Labourforce and Workforce:

Ghai K.K. (20 June 2015) "Difference Between Labour Force and Work force," has explained that Labour force refers to the number of persons usually employed or willing to be employed. All members of a population cannot to be engaged in economically productive activities. Those persons who can produce goods and services constitute the potential labour force. Labour force excludes the very young and very old as well as the physically or mentally challenged. It also does not include those people who are engaged otherwise (in household) activities or are not willing to work. The difference between the labour force and the work force is the unemployed labour force. Thus, Work force constitutes the employed labour force.

2.5 Organised Sector:

John Black, Nigar Hashimzade and Gareth Myles (2009) Dictionary of Economics "Those parts of the economy which operate through institutions which feed figures into official statistics. This includes firms Organised as companies, payments made via the banking system, incomes reported to the tax authorities, sales reported to the GST authorities, and employment reported to national Insurance authorities. These constitute the vast majority of total economic activity in advanced economies. The **organized sector is contrasted with the informal or hidden economy**, in which individuals, voluntary bodies, and criminal organizations engage in trade, mainly for cash, which is not reported to the tax authorities, and employment, also for cash which is not reported to the tax or social security authorities."

2.6 Unorganised Sector:

NCEUS, Report (April, 2009), The commission stated definition: (National Commission for Enterprises in the Unorganised Sector)

"The Unorganised sector consist of all unincorporated private enterprises owned by individuals or households engaged in the sale and production of goods and services operated on a proprietary or partnership basis and with less than ten total workers."

2.7 Unorganised Sector Labour:

India has existence of vast majority of informal or Unorganised labour employment Sector. Ministry of Labour, Government of India has characterised Unorganised labour force in four major groups in terms of occupation, nature of employment, special distressed category and service sector.

i) Under the terms of occupation –

Small and marginal farmers, land less agriculture labour, share croppers, fisherman, those who engaged in animal husbandry, beedi rolling, labeling and packaging, building and construction worker, leather worker, weavers, artisans, salt worker, workers in the bricks kilns, worker in saw mill , oil mill etc. - comes under the category.

ii) Under the terms of nature of employment –

Attached agriculture labour, bonded labours, migrant workers, contract and causal labours-comes under this category.

iii) Under terms of especially distressed category –

Toddy tappers, Scavengers, Carriers of head loads, Drivers of animal driven vehicles loader and unloaders - comes under this category.

vi) Under the terms of services category -

Midwives, Domestic Workers, fisherman and women, Barber, Vegetable and fruit venders, News paper venders, etc. belongs to this category.

In addition to this categories these exists a large section of Unorganised labour force such as clobbers, Hamals, Handicrafts artisans, Handloom weavers, lady tailor, Physical handicapped self employed persons, Rikshaw pullers, auto drivers, carpenters, Tannery workers, power loom workers and urban poor - Comes under the Unorganised labour force.

3. Percentage of population engaged in unorganised sector in India:

The Indian economy is existence of a high majority population work in informal or unorganised labour employment. As per a economic survey released in 2019, 93% of the total workforce of the country is from the unorganised sector. In 2018, a report of NITI Aayog, this figure is 85 percent. This unorganized sector has a big hand in running the economy of the country. The Periodic Labour Force Survey 2017-18 report, released last year, states that 71% of the regular/salaried employees in the informal sector (non-agriculture) are those who do not have a written job contract. There is 54.2 percent who do not get paid leave. Not only do this, but 49.6 percent of them not even qualify for any social security scheme. It is clear that the scope of the unorganized sector is not only wide but also completely unsafe. The agriculture sector, where the country's largest unorganized section.

According to economic survey of India 2018-19, an estimate, the total workforce of the sector is 45 crore. Out of this, 93 percent i.e. the number of people working in the unorganized sector of the country is about 41.85 crore.

According to the data released by NITI Aayog in November 2018, 85 percent of the total workforce is employed in the unorganized sector.

According to the report released by CII in the year 2011-12, about 16.35 crore people are employed in the unorganized sector in 7 major sectors of the non-agricultural sector of the country. Among these, the

1) Manufacturing sector,
2) Hotel and restaurant industry,
3) Construction sector.

The migration of labourers from the above sector is mostly happened.

4. Percentage of population engaged in unorganised sector in Maharashtra:

In the Maharashtra were 9.5 lack unorganized manufacturing enterprises. From the total manufacturing industries 5.16 lakh were in rural and 4.34 lakh were in urban areas. The total employment generated by unorganized manufacturing enterprises was 23.8 lakhs of which 61 percent was in the urban areas.

5. Statement of the Problem:

Present study aims to analyses the different kinds of workforce originally working in unorganized sector. Corona pandemic has worsely affected each and every sector of the economy. It shows the failure of government and policies of the government and educational institutions as well as this is policy paralysis of intellectual and businessmen in state when results in high unemployment and employee migration also educational migration has observed in the state.

Unorganised sector, among others, is largely affected due to corona. Being a current issue, very less research work has been done in relation to the topic. This makes it more appropriate as it will suggest some policy measures related to the topic.

6. Objectives of the study:

1) To study the contribution of unorganized sector in Indian Economy.

2) To study the contribution on unorganized sector in socio economic development of Maharashtra.

3) To study the impact of corona pandemic on Indian Economy and on unorganised sector.

4) To study the various policy initiatives taken by government during corona pandemic and its impact on unorganised sector.

5) To suggest policy measure.

7. Hypothesis:

1. Unorganised sector has given significant contribution in the Indian economy.

2. Unorganised sector produced more employment opportunities for youth in India.

3. There is a huge increase in unemployment in unorganized sector during pandemic.

4. Corona pandemic has adversely affected the socio-economic pattern of unorganised sector.

8. Research Methodology

The study is mainly based on the appropriate sample collected from the major industrial district from the Maharashtra state has covered 6 region and 36 district's with their 11,23,72,972 households. The description of data sources is as follows:

8.1 Data Collection:

The data will be collected from the district places of Maharashtra. There are six administrative region in the Maharashtra State (Kokan, Nasik, Pune, Aurangabad, Amravati, and Nagpur)

8.2 Sample:

Two major industrial district from each region will be selected for the study.100 Sample from each district will be selected giving representation to major unorganized sector in economy. In all 1200responses will be collected and analyzed.

8.3 Stratification:

There are 6 region in Maharashtra with 36 districts. The region are divided into the following

Serial No	Region	District
1	**Kokan**	Thane
		Mumbai (subarban)
2	**Nasik**	Nasik
		Ahmadnagar
3	**Pune**	Pune
		Solapur
4	**Aurangabad**	Aurangabad
		Nanded
5	**Amravati**	Amravati
		Yavatmal
6	**Nagpur**	Nagpur
		Chandrapur

In this way 12 District out of 36 will be selected.

8.4 Secondary Data Collection:

The secondary data will be collected through published data of various state and central government offices such as the Census of India, National Sample Survey Offices, Central Statistical Organisation, Ministry of Statistics and Program Implementation, Labour Bureau, Online Government Portals, data published by Labour unions, Directorate of Economics and Statistics, Labour commissioner office, Labour Institutes, Research Institutes, Collector office, Corporation office, Grampanchayats, Zilla Parishads, Published Reports, books, Research Publications, Universities Thesis, articles, Journals, News Papers, Periodicals, Magazines, etc.

8.5 Tools of Analysis:

The analysis will be made with the help of statements, tabulations and graphs. Where statistical tools will be used like average, percentage, ratios, correlation, ANOVA and Econometric models where ever is applicable.

8.6 Statistical Data:

The researcher would like to use Averages, Co-relation, Percentages, Deviations and various statistical tools to analyze the collected data.

9. Importance of study

The Topic **"A Study of Socio -Economic impact of corona pandemic on unorganised sector in Maharashtra"** is very important because large number of workforce is engaged in Unorganised sector. It has absentee of full time job, full remuneration as per their work etc. but other side, Efforts of unions Organized sector workforce has get all this successfully. Socio economic angle is important in concern to region. This study tries to draw out some conclusions about workers affected due to corona pandemic in the region. Which will be helpful to the Government, Policy Maket, Researcher, Teachers, Trade Unions and labour activist.

10. Limitations of study

Limitation of study is an important topic in the content.

1. The research is limited to Maharashtra State only.

2. The study is based on samples hence, limitations of sampling are also applicable.

3. The periodic of study will be (2020-2023).

11. Chapter Scheme

Ch.1 - Introduction

Ch.2 - Review of Literature

Ch.3 - Research Methodology

Ch.4 - Data Analysis and Interpretation

Ch.5 - Suggestion, Recommendation and Conclusion,

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